

# TEAM SAN DIEGO and Health Reform Update

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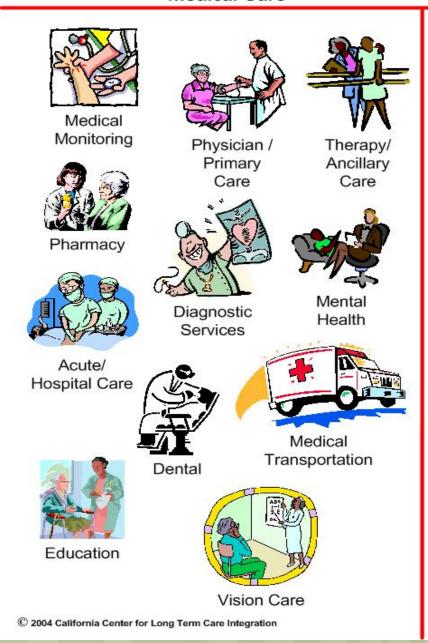
San Diego LTCIP Stakeholder Meeting, May 3, 2010



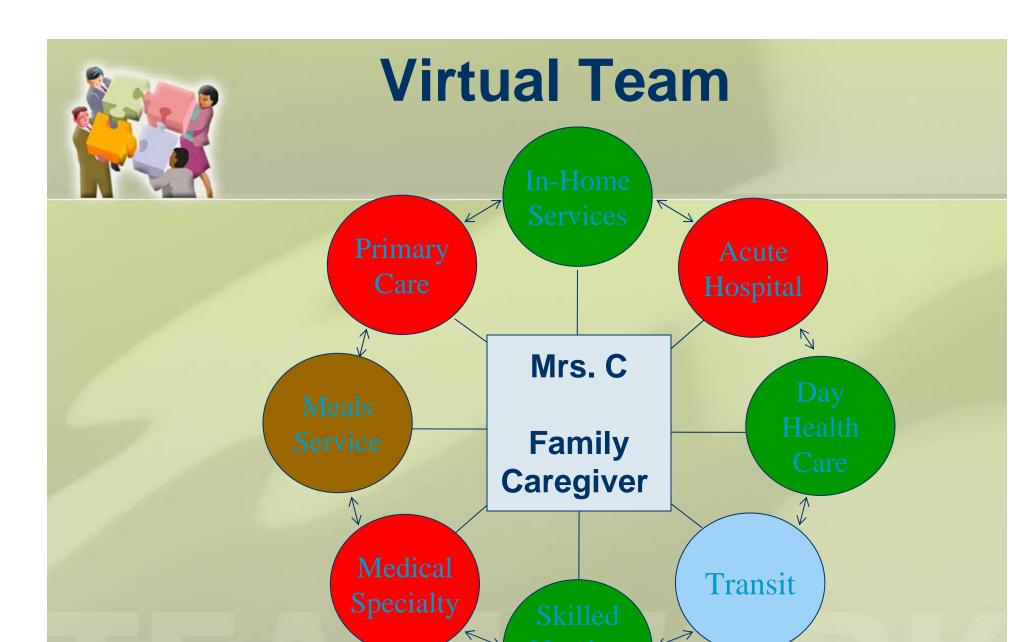
# Improving Chronic Care by Improving Care Coordination

#### TEAM SAN DIEGO is a community training that:

- **Teaming** → *Improved provider/patient*communication and information-sharing among the health and social service team
- Care Coordination → Prevent problems arising from multiple providers, treatments, and medications
- Patient Empowerment → Encourage patients and caregivers to participate in decision-making, goal setting, and action planning
- Resources → Find resources for problems specific to the San Diego chronic care community









## Health Strategy Agenda





### National Health Reform

### Patient Protection and Affordable Care Act-AKA Health Reform Bill

- Will provide health coverage for millions of uninsured Americans and extra protections for most people who currently have insurance
- Will not cut any benefits provided under traditional Medicare and will even improve some benefits



# Health Reform Facts Positive Impacts

#### Improves Insurance Coverage

- No annual or lifetime coverage limits
- No coverage denial based on pre-existing conditions
- Can't be dropped when care becomes expensive
- 32m uninsured Americans can have health insurance

#### Medicare Advantage Plans

- Reduces payments to plans to be in line with Medicare costs
- Bonus payments for improved quality and enrollee satisfaction
- Basic Medicare benefits will not be affected but will save \$150b Medicare dollars over 10 years



# Health Reform Facts Positive Impacts

#### Closes the Medicare D "Donut hole"

- In 2007, 8 million seniors hit the Medicare D prescription gap
- In 2010, Medicare beneficiaries who hit the donut hole will receive a \$250 rebate
- In 2011, 50% discount on brand name drugs in the donut hole
- By 2020, the donut hole for all prescription drugs will be closed



# Health Reform Facts Positive Impacts

#### Improves Health Care Delivery

- Fights waste fraud and abuse
- Extends the financial health of Medicare by 9 years
- Supports innovations such as medical homes, care transitions and care coordination-expected
- Incentives to reduce unnecessary hospital admissions and health care acquired infections
- Eliminates deductibles, co-payments, and other costsharing for preventive care, and
- Starting in 2011 provides free annual wellness checkups



# Health Reform Facts Positive Impacts

- Supports Long-term Care and HCBS
  - Spousal Impoverishment Protections extended to Medicaid home care
  - Medicaid Options and Incentives to Expand Long Term Services and Supports
  - Provides \$10m/yr. from 2010 to 2014 to expand ADRCs
  - Establishes an Office of Dual Eligibles within CMS
  - Establishes National Insurance for Long Term
     Services and Supports CLASS Act



#### **CLASS Act Features**

- Hard to pin down, DHHS secretary to decided many details
- Voluntary (opt out) long-term care insurance option, offered through work
- 5 year vesting period before benefits begin, must be 18 to collect
- Disability based average \$50 daily cash benefit, lifetime payout, supplement LTC needed
- CBO est. premium \$123 per month preserves year solvency



### **CLASS Act Questions**

- Option for uninsurable?
- Care Coordination benefit?
- Competition good or bad?
- Supplement opportunity?
- Devil in the details; who will run it and how will they run it?
- Stay tuned, learn and educate



# Health Reform Facts Negative Impacts

#### Challenges with Health Reform

- Individuals with annual incomes above \$85,000 and couples with incomes above \$170,000 will pay higher Medicare premiums
- Possible shortage of primary care physicians
- With Medicaid eligibility raised to 133% FPL, greater demand for AIS Programs-IHSS, MSSP
- Fewer Medicare Advantage Plans available
- 50% of Americans don't think that health reform is good-misinformation provided to seniors on health reform